

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2011-303-C - ORDER NO. 2012-75
FEBRUARY 1, 2012

IN RE:	Application of Palmetto Telephone)	ORDER GRANTING
	Communications, LLC to Expand Authority)	EXPEDITED REVIEW
	to Provide Local Exchange and Exchange)	AND APPROVING
	Access Service to Customers Located in)	APPLICATION
	Certain Areas Currently Being Served by)	
	Frontier Communications of the Carolinas,)	
	Incorporated f/k/a Verizon South,)	
	Incorporated and United Telephone)	
	Company of the Carolinas, Incorporated)	
	d/b/a CenturyLink and Request for Flexible)	
	Regulation of Local Exchange Service)	
	Offerings)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the application of Palmetto Telephone Communications, LLC (“Applicant” or “Palmetto”) to expand its authority to provide local exchange and exchange access services to customers located in certain areas currently being served by Frontier Communications of the Carolinas, Inc. and United Telephone Company of the Carolinas, Inc. d/b/a CenturyLink. The Applicant further requests flexible regulation of local exchange service offerings. The Applicant has also moved for expedited review of its Application and waiver of the formal evidentiary hearing. Upon review of the Application and all of the supporting documents submitted by the Applicant, we grant the requested relief.

The Applicant published a Notice of Filing of the request in newspapers of general circulation, as required by the Commission. The deadline to intervene in this matter was

September 12, 2011. Frontier Communications of the Carolinas, Inc. (“Frontier”) intervened in the proceeding as a party of record. As stated in Frontier’s letter to the Commission dated November 16, 2011, Frontier and Palmetto have been able to clarify issues in this matter, and Frontier does not oppose Palmetto’s Application. Palmetto’s counsel has also been advised that Frontier does not oppose Palmetto’s request for expedited review of its Application.

The South Carolina Office of Regulatory Staff (“ORS”) is a statutory party to this action. See S.C. Code Ann. § 58-4-10(B). On November 15, 2011, ORS filed the direct testimony of James M. McDaniel, in which Mr. McDaniel recommended on behalf of ORS that the Commission approve Palmetto’s Application. Palmetto’s counsel has consulted with counsel for ORS, and ORS does not object to proceeding without a formal hearing in this matter.

No other comments or petitions to intervene were received in response to the notice. Thus, all interested persons have been afforded an opportunity for a hearing, as required by S.C. Code Ann. § 58-9-280(B), Section 1-23-320(a) of the South Carolina Administrative Procedures Act, and constitutional due process. Proceeding without a formal hearing in this matter would serve the public interest in administrative efficiency.

In support of its Application and request for expedited review of this matter, the Applicant has filed the verified testimony of Jason J. Dandridge. Mr. Dandridge’s verified testimony and the other supporting information included in the Applicant’s filings demonstrate the following:

The Applicant was organized as a Limited Liability Company in the State of South Carolina in 1998. The Applicant is a wholly owned subsidiary of Palmetto Rural Telephone Cooperative, Inc., which has been providing local exchange telephone service in the State of South Carolina since 1955. The Applicant has previously been issued certificates of public convenience and necessity by this Commission. In 1999, the Commission granted the Applicant a certificate to provide resold interexchange telecommunications services within the State of South Carolina. See Commission Order No. 1999-617 in Docket No. 1999-309-C. In 2004, the Commission granted the Applicant a certificate to provide competitive local exchange and exchange access service to customers located in the Walterboro exchange served by Verizon South, Inc., now served by Frontier. See Commission Order No. 2004-1 in Docket No. 2003-270-C. Each of these certificates was granted to the Applicant upon a finding by the Commission that the Applicant has the technical, financial, and managerial resources sufficient to provide the requested services within the State of South Carolina, and that the Applicant met all other requirements of certification. The Applicant continues to meet these requirements.

The Applicant seeks to amend its Certificate of Public Convenience and Necessity, pursuant to S.C. Code Ann. § 58-9-280 and the rules and regulations of the Commission, to permit it to provide local exchange and exchange access service to customers located in certain areas currently being served by Frontier Communications of the Carolinas, Inc., formerly Verizon South, Inc., and United Telephone Company of the Carolinas, Inc. d/b/a CenturyLink.

The area for which the Applicant seeks to expand its existing certification includes Frontier's Yemassee, Ehrhardt, Olar, and Fairfax exchanges, and CenturyLink's Hampton and Estill exchanges. The Applicant will provide the same service, under the same terms and conditions, to customers located in the expanded area as it is currently providing to customers in its presently certificated service area. The Applicant will offer the service at rates comparable to those of the incumbent LEC serving the area.

Amending the Applicant's certificate to expand its service area will serve the public interest. The Applicant is an established competitive local exchange carrier in South Carolina. Provision of service by the Applicant in the requested service area will enhance competition in the State of South Carolina by offering additional service options and high service quality to South Carolina telecommunications users.

As demonstrated in the Applicant's prior certification proceedings, and as demonstrated by the Applicant's service history and the Annual Reports that are filed with the Commission and the Office of Regulatory Staff by the Applicant and its parent company on an annual basis, the Applicant has the technical, managerial, and financial resources necessary to provide service in the requested areas. The Applicant will provide services which meet the service standards of the Commission; the Applicant's provision of service will not adversely impact the availability of affordable local exchange service, and will not otherwise adversely impact the public interest; and the Applicant will support universally available telephone service at affordable rates.

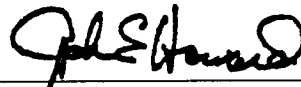
The Commission has previously granted the Applicant's request for flexible regulation of its local exchange telecommunications services. See Commission Order No.

2004-1 in Docket No. 2003-270-C. The Applicant requests the same treatment for local exchange telecommunications services provided in the expanded area for which it requests certification.

We find that the relief requested by Applicant is in the public interest, and therefore, we approve the application and grant the relief sought therein.

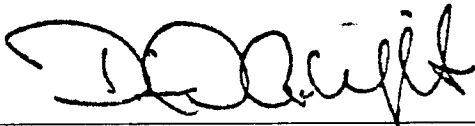
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



John E. Howard, Chairman

ATTEST:



David A. Wright, Vice Chairman
(SEAL)